

Effective 5/10/2016

32B-11-403 Specific authority and operational requirements for distillery manufacturing license.

- (1) A distillery manufacturing license allows a distillery manufacturing licensee to:
 - (a) store, manufacture, transport, import, or export liquor;
 - (b) sell liquor to:
 - (i) the department;
 - (ii) an out-of-state customer; and
 - (iii) as provided in Subsection (2);
 - (c) purchase an alcoholic product for mixing and manufacturing purposes if the department is notified of:
 - (i) the purchase; and
 - (ii) the date of delivery; and
 - (d) warehouse on its licensed premises an alcoholic product that the distillery manufacturing licensee manufactures or purchases for manufacturing purposes.
- (2)
 - (a) Subject to the other provisions of this Subsection (2), a distillery manufacturing licensee may directly sell an alcoholic product to a person engaged within the state in:
 - (i) a mechanical or industrial business that requires the use of an alcoholic product; or
 - (ii) scientific pursuits that require the use of an alcoholic product.
 - (b) A person who purchases an alcoholic product under Subsection (2)(a) shall hold a valid special use permit issued in accordance with Chapter 10, Special Use Permit Act, authorizing the use of the alcoholic product.
 - (c) A distillery manufacturing licensee may sell to a special use permittee described in Subsection (2)(b) an alcoholic product only in the type for which the special use permit provides.
 - (d) The sale of an alcoholic product under this Subsection (2) is subject to rules prescribed by the department and the federal government.
- (3) The federal definitions, standards of identity and quality, and labeling requirements for distilled liquor, in the regulations issued under Federal Alcohol Administration Act, 27 U.S.C. Sec. 201 et seq., are adopted to the extent the regulations are not contrary to or inconsistent with laws of this state.
- (4) If considered necessary, the commission or department may require:
 - (a) the alteration of the plant, equipment, or licensed premises;
 - (b) the alteration or removal of unsuitable alcoholic product-making equipment or material;
 - (c) a distillery manufacturing licensee to clean, disinfect, ventilate, or otherwise improve the sanitary and working conditions of the plant, licensed premises, and equipment; or
 - (d) that a record pertaining to the materials and ingredients used in the manufacture of an alcoholic product be made available to the commission or department upon request.
- (5) A distillery manufacturing licensee may not permit an alcoholic product to be consumed on its premises, except that:
 - (a) a distillery manufacturing licensee may allow its on-duty staff to taste on the licensed premises an alcoholic product that the distillery manufacturing licensee manufactures on its premises without charge, but only in connection with the on-duty staff's duties of manufacturing the alcoholic product during the manufacturing process and not otherwise;
 - (b) a distillery manufacturing licensee may allow a person who can lawfully purchase an alcoholic product for wholesale or retail distribution to consume a bona fide sample of the distillery manufacturing licensee's product on the licensed premises; and

(c) a distillery manufacturing licensee may conduct tastings as provided in Section 32B-11-210.

Amended by Chapter 266, 2016 General Session